

VZCZCXRO3103
PP RUEHB1 RUEHCl
DE RUEHCl #0447 2711233
ZNR UUUUU ZZH
P 281233Z SEP 06
FM AMCONSUL CALCUTTA
TO RUEHC/SECSTATE WASHDC PRIORITY 1188
INFO RUEHNE/AMEMBASSY NEW DELHI PRIORITY 1059
RUEHKT/AMEMBASSY KATHMANDU PRIORITY 0255
RUEHKA/AMEMBASSY DHAKA PRIORITY 0254
RUEHIL/AMEMBASSY ISLAMABAD 0198
RUEHCG/AMCONSUL CHENNAI 0419
RUEHB1/AMCONSUL MUMBAI 0419
RUEHLM/AMEMBASSY COLOMBO 0092
RUEAIIA/CIA WASHDC
RHMFIUU/CDR USPACOM HONOLULU HI
RUEHCl/AMCONSUL CALCUTTA 1454

UNCLAS CALCUTTA 000447

SIPDIS

SENSITIVE
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STATE FOR INR, SCA/INS

E.O. 12958: N/A
TAGS: PTER IN BT PGOV
SUBJECT: INDIA'S CEASE-FIRE WITH ULFA ENDS

REF: CALCUTTA 0362

¶1. (U) Summary: Citing continuing violence and extortion, the Government of India (GOI) on September 24 ended the six-week ceasefire it had with the United Liberation Front of Assam (ULFA). The GOI decision comes in the wake of ULFA's reluctance to commit in writing to taking part in direct peace talks. While the GOI indicates that it continues to pursue peace, it will double its troop presence on the India-Bhutan border in an effort to prevent ULFA terrorists from using Bhutan as a base of operations. End Summary.

¶2. (U) The Union Home Ministry announced that the ceasefire was officially called off on September 24, 2006. A day earlier a tea estate manager in Assam was kidnapped and killed by ULFA. News reports indicated that in recent months ULFA had been threatening tea estate managers and businessmen in the state to pay "taxes" to the group. In response to the killing, Indian troops have killed at least 2 suspected ULFA members.

¶3. (SBU) The year-old peace initiative to bring the GOI and ULFA to the negotiating table is another casualty of the GOI's resumption of operations against ULFA. However, sources told Post that ULFA was never seriously interested in peace, citing the lack of ULFA Commander-in-Chief Paresh Barua's personal involvement in the process. The GOI's key demand that ULFA agree in writing to peace negotiations was never met. For its part, ULFA Chairman Arabinda Rajkhowa repeatedly stated to the media that talks with the Indian government without raising the issues of sovereignty and freedom would not bear fruit. In addition, the GOI continues to hold five ULFA prisoners, whose release has been a long-standing ULFA demand.

¶3. (U) GOI concerns now include securing India's border with neighboring Bhutan. The Bhutanese Army had destroyed a number of ULFA base camps within its borders in 2003. While GOI officials do not believe that ULFA camps are operating out of Bhutan at this time, one news report cited a pending doubling of Indian troops to a total of 10,000 along India and Bhutan's 240-mile border. News reports also suggest that Maoists from Nepal may be trying to sneak into Bhutan in support of a wider campaign against the Indian Army.

¶4. (SBU) Comment: The tenuous cease-fire did not have the complete support of Indian Army officials, who felt that Delhi was too trusting of ULFA leadership. Recent events only lend credence to the Army's view. While publicly taking a

wait-and-see approach, the Army's mounting preparations indicate a pending large-scale operation and that it will respond to any further ULFA attacks with force. End Comment.

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